

STATE OF HAWAII
STATE PROCUREMENT OFFICE
HONOLULU, HAWAII

LEGAL AD DATE: MAY 8, 1998

INVITATION FOR BIDS

IFB-98-176-HMK

SEALED BIDS

FOR

SHIPPING AND DELIVERY
OF 1998 PRIMARY AND GENERAL ELECTION BALLOTS
FROM OAHU TO THE NEIGHBOR ISLANDS

FOR

OFFICE OF ELECTIONS

will be received up to and opened at 2:00 p.m. (HST)

on

May 20, 1998

in the State Procurement Office, Kalanimoku Building, 1151 Punchbowl
Street, Room 416, Honolulu, Hawaii 96813.

Questions relating to this bid solicitation may be directed to
Carol dynne Yamashita, at telephone 808/586-0566 or facsimile 808/586-
0570.

ROBERT J. GOVERNS, CPPB
Procurement Officer

Name of Company

IFB-98-176-HMK

SURETY BID BOND

Bond No. _____

KNOW ALL MEN BY THESE PRESENTS:

That we, _____,
(full name or legal title of offeror)
as Offeror, hereinafter called Principal, and

_____,
(name of bonding company)
as Surety, hereinafter called Surety, a corporation authorized to
transact business as a Surety in the State of Hawaii, are held and
firmly bound unto _____,
(State/county entity)
as Owner, hereinafter called Owner, in the penal sum of

(required amount of bid security)
Dollars (\$_____), lawful money of the United States of America,
for the payment of which sum well and truly to be made, the said
Principal and the said Surety bind ourselves, our heirs, executors,
administrators, successors and assigns, jointly and severally, firmly by
these presents.

WHEREAS:

The Principal has submitted an offer for _____
_____.
(project by number and brief description)

NOW, THEREFORE:

The condition of this obligation is such that if the Owner shall
reject said offer, or in the alternate, accept the offer of the Principal
and the Principal shall enter into a Contract with the Owner in
accordance with the terms of such offer, and give such bond or bonds as
may be specified in the solicitation or Contract Documents with good and
sufficient surety for the faithful performance of such Contract and for
the prompt payment of labor and material furnished in the prosecution
thereof as specified in the solicitation then this obligation shall be
null and void, otherwise to remain in full force and effect.

Signed this _____ day of _____, _____.

(Seal)

Name of Principal (Offeror)

Signature

Title

(Seal)

Name of Surety

Signature

Title

WAGE CERTIFICATE

(For Service Contracts)

Subject: IFB/RFP No.: _____

Title of IFB/RFP: _____

(To be completed by offeror)

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$5,000, the services to be performed will be performed under the following conditions:

1. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work; and
2. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror _____

Signature _____

Title _____

Date _____

SHIPPING AND DELIVERY OF OFFICIAL ELECTION BALLOTS
TO THE OFFICES OF THE COUNTY CLERKS ON THE NEIGHBOR ISLANDS
FOR THE 1998 PRIMARY AND GENERAL ELECTIONS
IFB-98-176-HMK

Procurement Officer
State Procurement Office
State of Hawaii
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Bid guaranty, made payable at sight or unconditionally assigned to the State of Hawaii for the amount of _____
_____ DOLLARS (\$ _____) is enclosed herewith in the form of:

Legal Tender	()	Surety Bond (use attached form)	()
Cashier's Check	()	Certificate of Deposit	(*)
Teller's Check	()	Share Certificate	(*)
Certified Check	()	Treasurer's Check	()
Official Check	()		

****Bidder submitting a certificate of deposit or a share certificate is advised to contact the Purchasing Specialist named on the cover of this bid solicitation. The maximum penalty for early withdrawal, if any, must be added to the certificate amount. "Deposit, Assignment and Transfer of Certificate of Deposit" form must also be submitted with the bid.***

Date: _____

Respectfully submitted,

Telephone No.: _____

Fax No.: _____

Exact Legal Name of Offeror

Payment address, if other than
street address at right:

Authorized Signature (Original)

Title

Hawaii General Excise Tax Lic.
I.D. No.: _____

Street Address

Social Sec. or Federal I.D. No.: _____

City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

Offeror is: ___ Individual ___ Partnership ___ Corporation ___ Joint Venture

State of incorporation: Hawaii _____ *Other _____

*If "other", is corporate seal available in Hawaii? ___ Yes ___ No

The following bid is hereby submitted for shipping and delivery of Official Elections Ballots from Oahu to the Offices of the County Clerks on the neighbor islands, as specified herein:

<u>Island</u>	<u>Estimated No. of Ballot Transport Containers (BTCs)</u>	<u>Unit Price Per BTC</u>	<u>Estimated Total Bid Price</u>
1. Hawaii	713	\$_____	\$_____
2. Maui	662	_____	_____
3. Kauai	303	_____	_____

ESTIMATED TOTAL SUM BID (Items 1, 2, & 3): \$_____

Are subcontractors to be used: Yes*_____ No_____

*Bidder shall submit information as required by Special Provisions, page SP-5 "Subcontracting".

Business Address: _____

Telephone No.:_____ (Answering Service Is Not Acceptable)

Insurance coverage is carried by: (where applicable)

Commercial General Liability: _____ Policy No._____

Automobile Liability: _____ Policy No._____

Worker's Compensation:_____ Policy No._____

Unemployment Insurance: State of Hawaii Labor No.:_____

Temporary Disability Insurance:_____ Policy No._____

Prepaid Health Carrier: _____

Offeror:_____

SPECIFICATIONS
SHIPPING AND DELIVERY OF OFFICIAL ELECTION BALLOTS
TO THE OFFICES OF THE
COUNTY CLERKS ON THE NEIGHBOR ISLANDS
1998 PRIMARY AND GENERAL ELECTIONS

SCOPE OF WORK

Bids shall be received for the shipping and delivery of official ballots packed in Ballot Transport Containers from Oahu, at 415 South Beretania Street, Honolulu, Hawaii, to the Offices of the County Clerks located on the islands of Hawaii, Maui, and Kauai for the September 19, 1998 Primary Election and for the November 3, 1998 General Election.

SPECIAL REQUIREMENTS

1. Official Election ballots shall be packed in Ballot Transport Containers (BTCs) by the Office of Elections. A BTC is a metal container holding approximately 1,200 ballots. Its dimensions are 12 ½" X 15 ½" X 4" and weighs up to 30 pounds when fully packed. The packed BTCs shall be individually labeled and secured by a plastic pull-tite or steel-hasp numbered seal by the Office of Elections.
2. The BTCs shall be shipped by air and deliveries shall be completed by 4:30 p.m. on the same day that ballots are picked up. Exception: Delivery of precinct ballots to the Office of the County Clerk, County of Kauai shall be after 4:30 p.m.
3. All BTCs designated for a specific destination shall be shipped together in one shipment, not multiple shipments.
4. The Contractor shall enclose the BTCs in appropriate shipping containers which physically protect the BTCs, the BTC seals, and the ballots from tampering, theft or loss, moisture, rain, heat, or exposure to any other damage due to climate, weather conditions, and the general hazards encountered in transportation and handling.
5. The Contractor is responsible for packing the shipping containers with the BTCs and for ensuring that the BTCs for the three counties are not commingled (mixed up) when packed.
6. The Contractor, on receipt of the BTCs, shall:
 - a. inspect and verify the quantities and conditions of the BTCs; and
 - b. inspect and verify the ballot seal numbers.

The Office of Elections shall provide the Contractor with ballot seal control forms or ballot transport container (BTC) shipping forms which list the seal numbers for each BTCs. The Contractor shall ensure that all BTCs listed on the ballot seal control form or ballot transport container shipping form are received from the Office of Elections and that the BTCs are in good physical condition.

7. The Contractor shall secure the shipping containers with a lock and numbered seal at the time of collection.
8. The Contractor shall ensure that the BTCs are not damaged, tampered with, or in any way compromised, prior to and upon delivery to the destinations hereinafter listed. If any of the BTCs are damaged, tampered with, or in any way compromised, a written statement (explanation) shall be provided to the respective County Clerk and the Office of Elections at the time of delivery.

9. The Contractor shall inspect and verify the quantities and conditions of the BTCs upon delivery and remain present until a representative of the receiving Office of the County Clerk has inventoried and verified delivery against the appropriate ballot seal control forms or ballot transport container shipping forms. The Contractor shall ensure that all BTCs listed on the ballot seal control form or ballot transport container shipping form are transferred to the Office of the County Clerk and that the BTCs are in good physical condition.
10. **THE CONTRACTOR SHALL PROVIDE WITH THE BID**, to the Office of Elections, a written description of the method to be used to deliver the ballots. Upon delivery, the Contractor shall certify that the ballots were accurately, safely and securely received and transported to the Offices of the County Clerk.
11. The Contractor shall inform the appropriate County Clerk in advance of the anticipated date and time for delivery of the ballots prior to delivery.
12. The Contractor shall track shipments while in transit.
13. The Contractor shall deliver the appropriate ballots to the Offices of the County Clerk of the Counties of Hawaii, Kauai, and Maui no later than 4:30 p.m. on the designated delivery dates. Exception: The Contractor shall deliver precinct ballots to the Office of the County Clerk, County of Kauai after 4:30 p.m.
14. The Contractor shall be responsible for providing security that meets the above conditions at all times while the BTC's are in the Contractor's possession.
15. In addition to the Estimated Total Sum Bid Price, bids shall include the unit price for shipment of one BTC for each destination so that actual costs can be adjusted on the basis of actual number of units shipped.

APPROXIMATE NUMBER OF BALLOT TRANSPORT CONTAINERS (BTCs) FOR THE PRIMARY ELECTION

1. County of Hawaii (Office of the County Clerk, Elections Division, 25 Aupuni Street, Hilo, Hawaii 96720, Phone: 808-961-8277)
 - a. Absentee Walk: 63 BTCs
 - b. Precinct and Reserve: 372 BTCs
2. County of Maui (Office of the County Clerk, 200 South High Street, 7th Floor, Wailuku, Maui 96793, Phone: 808-243-7749)
 - a. Absentee Walk: 50 BTCs
 - b. Precinct and Reserve: 409 BTCs
3. County of Kauai (Office of the County Clerk, Elections Division, 4396 Rice Street, #106, Lihue, Kauai 96766, Phone: 808-241-6350)
 - a. Absentee Walk: 30 BTCs
 - b. Precinct and Reserve: 151 BTCs

APPROXIMATE NUMBER OF BALLOT TRANSPORT CONTAINERS (BTCs) FOR THE GENERAL ELECTION

1. County of Hawaii
 - a. Absentee Walk: 48 BTCs
 - b. Precinct and Reserve: 230 BTCs

2. County of Maui
 - a. Absentee Walk: 24 BTCs
 - b. Precinct and Reserve: 179 BTCs
3. County of Kauai
 - a. Absentee Walk: 19 BTCs
 - b. Precinct and Reserve: 103 BTCs

SPECIAL PROVISIONS

SCOPE

The furnishing shipping and delivery of official election ballots to the Offices of the County Clerk on the Neighbor Islands, 1998 Primary and General Elections, for the Office of Elections, shall be in accordance with these Special Provisions, the attached Specifications, and General Terms and Conditions dated September 1, 1995 which is hereby incorporated and included by reference a copy of the General Terms and Conditions is attached hereto.

CONTRACT ADMINISTRATORS

For the purpose of this contract, Mr. Dwayne Yoshina and Ms. Laura Shimada with the Office of Elections, 802 Lehua Avenue, Pearl City, Hawaii, 96782, telephone number (808) 453-8683, are designated Contract Administrators.

TERM OF CONTRACT

The Contractor shall enter into a contract for the shipping of official ballots from the Office of Elections's ballot storage/packing site, 415 South Beretania Street, Honolulu, Hawaii, 96813, to the Offices of the County Clerk on the neighbor islands. The ballots shall be available for collection by 8:30 a.m. of the scheduled pick-up/delivery date from the Office of Elections's ballot storage/packing site, 415 South Beretania Street, Honolulu, Hawaii, 96813. Deliveries shall be completed by 4:30 p.m. on the same day that ballots are picked up, at the following dates (unless rescheduled by the Office of Elections):

1. Primary Election
 - a. Absentee Walk Ballots: August 24 or 25, 1998
 - b. *Precinct and Reserve Ballots: September 4 or 8, 1998
2. General Election
 - a. Absentee Walk Ballots: October 14 or 15, 1998
 - b. *Precinct and Reserve Ballots: October 23 or 26, 1998

EXPLANATION OF PROJECT

Explanation of project may be requested at the Office of Elections, 802 Lehua Avenue, Pearl City, Hawaii. It shall be the bidder's responsibility to request the explanation and to further familiarize themselves with the requirements specified. No additional compensation will be made by reason of any misunderstanding or error regarding the amount and kind of work to be performed. Submission of bid shall be evidence that the bidder understands the scope of the project and will comply with the specifications if awarded the job.

For further information bidder(s) may contact either Ms. Laura Shimada or Mr. John Klaneski at 802 Lehua Avenue, Pearl City, Hawaii, 96782 or by telephone at (808) 453-8683.

*NOTE: Deliveries to the County of Kauai shall be made after 4:30 p.m.

BID PREPARATION

Offer Form, Page OF-1. Offeror is requested to submit its offer using offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on OFFER FORM, page OF-1. Failure to do so may delay proper execution of the contract.

Offeror's authorized signature shall be an original signature in ink. If OFFER FORM, page OF-1, is unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the offeror's intent to be bound.

Tax Liability. Work to be performed under this solicitation is a business activity taxable under Chapter 237, Hawaii Revised Statutes (HRS), and vendors are advised that they are liable for the Hawaii General Excise tax (GET) at the current 4% rate. If, however, an offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

Tax Equalization Provision. For evaluation purposes, pursuant to §103-53.5, HRS, as amended, the price offer submitted by an offeror not liable for the GET under this solicitation, shall be increased by the current rate of the GET. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.

Wage Certificate. Refer to Section 2.8 of the General Terms and Conditions. Bidder shall complete and submit the attached Wage Certificate by which the bidder certifies that the services required will be performed pursuant to Section 103-55, HRS.

Although at the time of this bid there are no public employee positions that are similar to the work to be performed by the Contractor's employees, bidder(s) must still sign the Wage Certificate to show compliance with Section No. 2 of the certificate.

Bid Quotation. Bid price shall include all applicable taxes and all expenses incurred to provide services as specified herein. Bidder shall bid on all items in order to qualify for award. Bid price shall be the all inclusive cost to the State and no other charges will be honored.

Tax Clearance. An **original or certified copy** of a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) must be submitted with offeror's sealed offer by the due date and time.

The tax clearances from DOTAX and IRS shall be obtained on the attached one-page, two-sided **Tax Clearance Application (Form A-6, Rev.1998)** which is accompanied by Instructions that offerors should carefully read. Effective March 1, 1998, only this revised Form A-6 will be accepted by DOTAX and IRS.

Out-of-state offerors should mail their application to DOTAX's Oahu District Office.

Effective 12/1/97 tax clearance certificates are valid for a **six-month** (not 180 day) period beginning on the later dated DOTAX or IRS

approval stamp. For example, a 12/15/97 certificate is valid through 6/15/97.

The tax clearance submitted with the sealed offer must be valid on the solicitation's legal ad date or any date thereafter up to the offer due date. A valid tax clearance received with the offer will remain valid for the contract award.

For the purpose of this solicitation the State Procurement Office will accept the attached completed SPO Form TEMP B, "Certification for Tax Clearance" in place of the DOTAX Form A-6 (Rev.1998), if offeror is unable to obtain a tax clearance certificate in time for submittal with the sealed offer. However, the successful offeror is required to submit a tax clearance certificate prior to award.

NOTE: The above tax clearance requirement is in addition to the existing requirement for final payment. Refer to the special provisions on INVOICING below for information on the tax clearance requirement for final payment.

Estimated Requirements. The quantities listed on the Offer Form page OF-2 are estimates at the time of the bid release and are offered for bid evaluation purposes only. The State reserves the right to increase or decrease the quantities of any item, as required, at the unit price per BTC provided by the successful bidder. In the event the estimated requirements do not materialize in the exact quantity listed on the Offer Form page OF-2, such failure shall not constitute grounds for equitable adjustment under this contract.

Bid Security. In order to be considered for award, a bid submitted in response to this bid solicitation must be accompanied by bid security in an amount of no less than five per cent (5%) of the amount bid.

Acceptable bid security shall be limited to one of the following forms or their combination:

- (1) Surety bond underwritten by a company licensed to issue bond in this State in the form prepared by the State and attached for bidder's use, or in a form satisfactory to the State.
- (2) Legal tender.
- (3) Certificate of deposit; share certificate; or cashier's, treasurer's, teller's, or official check drawn by, or a certified check accepted by a bank, a savings institution, or credit union insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration, and payable at sight or unconditionally assigned to the procurement officer advertising for bids. These instruments may be utilized only to a maximum of \$100,000. If the required security or bond amount totals over \$100,000, more than one instrument not exceeding \$100,000 each and issued by different financial institutions, are acceptable.

If a certificate of deposit or share certificate is used as bid security, bidder must contact the State Procurement Office Purchasing Specialist listed on this solicitation's cover page for specific instructions.

Refer to Section 2.7 of the General Terms and Conditions for additional provisions on the bid security requirement that are applicable to this bid solicitation.

Wage Certificate. Refer to Section 2.8 of the General Terms and Conditions. Bidder shall complete and submit the attached Wage Certificate by which the bidder certifies that the services required will be performed pursuant to Section 103-55, HRS.

Although at the time of this bid there are no public employee positions that are similar to the work to be performed by the Contractor's employees, bidder(s) must still sign the Wage Certificate to show compliance with Section No. 2 of the certificate.

LIABILITY INSURANCE

Contractor shall maintain insurance acceptable to the State in full force and effect throughout the term of this contract. The policies of insurance maintained by the Contractor shall provide the following limits and coverages:

<u>Coverages</u>	<u>Limits</u>
Commercial General Liability (Occurrence form)	\$500,000 combined single limit per occurrence for Bodily Injury and Property Damage

Each insurance policy required by this contract shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after thirty (30) days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P. O. Box 119, Honolulu, Hawaii 96819-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The Contractor shall maintain the minimum insurance required in full compliance with the Hawaii Insurance Code throughout the entire term of the contract, including any and all contract extensions. The policy or policies of insurance maintained by the Contractor shall provide the limits and coverages specified herein.

The Contractor agrees to deposit with the State of Hawaii, on or before the effective date of this contract, certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire

term of this contract. Upon request by the State, Contractor shall furnish a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under the contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

Except for the first year when the certificate of insurance shall be delivered prior to the execution of the Contract and made a part thereof, the certificate of insurance for each subsequent school year of the contract shall be filed with the DAGS Student Transportation Branch, 729-B Kakoi Street, Honolulu, Hawaii 96819, not later than sixty (60) days prior to the first day of each school year period.

METHOD OF AWARD

Award, if any, shall be made to the responsive and responsible bidder who submits the lowest ESTIMATED TOTAL SUM BID PRICE (Items 1-3). Bidder shall bid on all items in order to be considered for award.

ACCEPTANCE OF OFFER

Acceptance of offer, if any, will be made within sixty calendar days after the opening of offers, and the prices quoted by the offeror shall remain firm for the sixty day period as provided in Section 3.2 of the General Terms and Conditions.

EXECUTION OF CONTRACT AND PERFORMANCE BOND

Successful offeror receiving award of \$25,000 or more shall be required to enter into a formal written contract and to furnish performance bond, in the amount of fifty per cent (50%) of the Estimated Total Sum Bid in accordance with Section 3.4 of the General Terms and Conditions. The bond shall be delivered to the State at the same time the executed contract is delivered.

INVOICING

The Contractor shall bill the State and the three (3) neighbor island counties (Counties of Hawaii, Maui, and Kauai) separately for their share of the cost.

The Contractor shall prepare four (4) separate sets of invoices, original and three (3) copies of each, for the following:

- a. State of Hawaii: 50.0% of total cost
- b. County of Hawaii: 22.5% of total cost
- c. County of Maui: 18.0% of total cost
- d. County of Kauai: 9.5% of total cost

The Contractor shall submit a summary of the following, as part of the invoice, including a breakdown as follows:

- a. quantity (number of containers), weight, and cost of ballot transport containers shipped by date and county;
- b. subtotal of the quantity, weight, and cost of ballot transport containers shipped for each county; and
- c. statewide total of the quantity, weight, and cost of ballot transport containers shipped.

The Contractor shall submit all four (4) sets of invoices to the State for approval and distribution. All invoices should be submitted to the Office of Elections, 802 Lehua Avenue, Pearl City, Hawaii, 96782, Attention: Laura Shimada.

A tax clearance certificate must accompany the invoice for final payment and shall be an **original or certified copy**, not over two-months old.

SUBCONTRACTING

Attention is invited to Section 5.3 of the General Terms and Conditions, in which reference is made to "Subcontracting and Assigning". Bidder shall include in his bid the names and addresses of each person or firm to be engaged by the bidder as subcontractor and shall indicate the scope of the work to be performed by such subcontractor. The State shall deal only with the Contractor and will hold the Contractor liable for all the acts of the subcontractor. If the entire job is to be done by bidder, so indicate. Failure to comply with this request may result in rejection of bid.

ADDITIONS AND EXCEPTIONS TO THE GENERAL TERMS AND CONDITIONS

Approvals. Any agreement arising out of this offer is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

Cancellation of Solicitations and Rejection of Offers. The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in Sections 3-122-95 through 3-122-97, Hawaii Administrative Rules.

Provisions from the General Terms and Conditions Not Applicable. Sections 2.11 and 2.14 of the General Terms and Conditions which apply specifically to the Request for Proposals method of source selection are not applicable to Invitation for Bids. Also Sections 2.10 and 2.13 which apply specifically to the Invitation for Bids method of source selection are not applicable to Requests for Proposals.

Records Retention. The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

Preparation of Offer. General Terms and Conditions Section 2.5, paragraph four, is rescinded and replaced with the following:

"An offeror may submit only one offer in response to a solicitation. If an offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an offeror may submit only one offer for each line item (if any) of a solicitation. If an offeror submits more than one offer per line item, then all offers for that line item shall be rejected."

Preference for Hawaii Products. General Terms and Conditions Section 3.1(B), paragraphs one and two only are rescinded and replaced with the following: "A purchasing agency shall review all specifications in a bid or proposal for purchase from the Hawaii products list where these products are available; provided that the products: Meet the minimum specifications and the selling price f.o.b. jobsite; unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price in Hawaii f.o.b. jobsite; and unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price of a similar non-Hawaii product by more than: three per cent where class I Hawaii products are involved; five per cent where class II Hawaii products are involved; or ten per cent where class III Hawaii products are involved."

All persons submitting bids or proposals to claim Hawaii products preference shall designate in their bids which individual product and its price is to be supplied as a Hawaii product.

Where a bid or proposal contains both Hawaii and non-Hawaii products, then for the purpose of selecting the lowest bid or purchase price only, the price bid or offered for a Hawaii product item shall be decreased by subtracting therefrom: three per cent, five per cent, or ten per cent for the class I, class II, or class III Hawaii product items bid or offered, respectively. The lowest total bid or proposal, taking the preference into consideration, shall be awarded the contract unless the bid or offer provides for additional award criteria. The contract amount of any contract awarded, however, shall be the amount of the bid or price offered, exclusive of the preferences."

Printing Preference. General Terms and Conditions Section 3.1(C), paragraphs one and two are rescinded and replaced with the following: "All bids or proposals submitted for a printing, binding, or stationery contract in which all work will be performed in-state, including all preparatory work, presswork, bindery work, and any other production-related work shall received a fifteen per cent preference for purposes of bid or proposal evaluation."

Where bids or proposals are for work performed in-state and out-of-state, then for the purpose of selecting the lowest bid or evaluating proposals submitted only, the amount bid or proposed for work performed out-of-state shall be increased by fifteen per cent. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference."

Bond Forms. The bond forms, Exhibits B through H, are replaced by the forms issued by the Procurement Policy Board Directive No. 1997-01, dated November 12, 1997, included herein by reference and made a part hereof. Copies of the bond forms are available at the State Procurement Office, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813.